GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:2128
ANSWERED ON:29.07.2016
Ordnance Factories
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Will the Minister of DEFENCE be pleased to state:

(a) the total number of ordnance factories in the country along with estimated/actual capacity of production, factory and State-wise;

(b) whether many of the ordnance factories are under-performing, if so, the details thereof and the reasons therefor;

(c) whether Ordnance Factory Board (OFB) has set any target for annual turnover by these factories, if so, the details thereof;

(d) whether there is also a proposal to corporatize ordnance factories; and

(e) if so, the details thereof?

Answer

MINISTER OF DEFENCE (SHRI MANOHAR PARRIKAR)

(a) State-wise list of Ordnance Factories is enclosed as Annexure-I. Ordnance Factories produce various products like Weapons, Ammunitions, Explosives, Armoured Vehicles, Logistic & Special purpose Vehicles, Troop Comfort Equipments and Day / Night Vision Devices for Armed Forces and Internal Security Agencies. The capacity is generally not product specific and is interchangeable based on the product mix demanded by Indentors. The production capacity of the factories in terms of average annual turnover is enclosed as Annexure-II.

(b) Ordnance Factory Board (OFB) has successfully achieved the production targets for 2015-16 with all time high turnover of Rs.14,158 Crore during 2015-16. However, in respect of 2 out of 41 Ordnance Factories, involved in production of Logistic Vehicles and Small Arms, the targets could be achieved to the extent of approximately 80% due to the delayed receipt of Indent and delivery extension in respect of Logistic Vehicles, no demand from Army for 5.56 mm Rifle INSAS and non-receipt of advance payment from Police Forces for Small Arms against MHA allocation.

(c) The production target of OFB is fixed for each financial year in consultation with Indentors (Defence and Non-Defence) considering demand projected. The target for annual turnover is Rs.17,386 Crore for financial year 2016-17. Accordingly, factory-wise target has been set for each of the Ordnance Factories.

(d) No, Madam.

(e) Does not arise.

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